HOW TO FIND MORE CUSTOMERS
A SMALL BUSINESS GUIDE TO SALES GROWTH

WRITTEN FOR SMALL BUSINESS BY SMALL BUSINESS
A practical guide to sales prospecting for small business!

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About UMACS Business Solutions

Our expertise comes from over 20 years of valuable corporate experience across a wide variety of industry sectors. Providing sound practical business enterprise solutions we pride ourselves on the wide variety of skills that we have acquired over many years. We have been operating in Australia (Melbourne) since 2002 as UMACS Business Solutions and we provide a range of business services to a diverse client base. We use all of the processes we discuss in our e-Books, that way we talk from experience and not theory, this e-Book is not to be viewed as a ‘text book’ but should be viewed as practical guide to sales success!
Thank you for purchasing this e-Book and I trust you will find this of great value in assisting you to find more prospects to sell to, and ultimately grow your business!

Warm Regards,

John Duffield

Owner and Managing Director

UMACS Business Solutions

www.umacs-business-solutions.com
What is Prospecting?

Definition: The proactive steps taken to identify, isolate and get in front of qualified prospects!

1. The Need for New Customers

Example:
One of your major customers has been taken over by another business that is not a user of your products or services, another good-sized account is about to transfer its operations to another state, and a long-time friend and customer has resigned and his/her replacement is not a supporter of your products or services:

You do a quick calculation:

- The combined impact of these three changes will reduce your sales by 25% (this may be a conservative).

- You will struggle to meet your expected sales targets...

Welcome to the world of prospecting!!!
2. Prospecting Terminology

- **A Prospect ...**

  *Everyone is a prospect unless:*

  You have previously done business with them, or you are currently quoting them...

- **A Suspect ...**

  Is someone you are currently providing a solution to (e.g. discussing or quoting), or you have quoted (unsuccessfully) recently...

- **A Client ...**

  Is someone who you are currently selling to, or have previously done business with (within a reasonable timeframe, you will need to decide how long this is).
3. Prospecting Methods

There is business out there! All you have to do is find it. Prospecting is easy, you just need a system that tells you, where to go, who to see, what to do, and what to say. Also you need a system that helps you work smarter not harder!

**Traditional prospecting methods include:**

- Cold calling (door knocking, random calls)
- Warm calls (network contacts)
- qualified leads
- referrals
- repeat business

And now can add ... *Research Qualified Prospects (RQP’s).*

4. Prospecting Reality Check

- How much of your current sales come from existing or repeat business?
- How much of your current sales come from newly acquired customers?

Therefore how much are you reliant on new business coming in?
5. Prospecting Analysis

- How do you choose your targets to call on?
- What research have you done on them? In terms of their needs, size, location, current providers, gaps in current suppliers offering?
- How do you rank them?
- Are there similar prospecting opportunities in the area, and can they be grouped together?

Where do you start?
6. Prospecting Approach

There is no sudden leap to sales success, there is only advancing step by step. Prospecting is an art, but it is also a science in that success is much higher if a systematic step-by-step process is completed, as follows:

1. By conducting some basic research.

2. By qualifying.

3. By contacting the prospect, gaining the all-important meeting.

4. Meeting with the prospect, and at that meeting:
   a. Presenting your opening
   b. Exploring and confirming the customer's needs
   c. Dealing with any objections
   d. Presenting your solutions
   e. Closing the sale, or gaining a commitment to progress to the next stage of the process
7. Prospecting Planning

An example of the importance of prospecting planning:

Let's say for the purposes of this example, we are selling heavy equipment into the construction industry. You estimate that you will need $10,000 of sales coming from new business per month over the coming year.

There are three relevant estimates to be made here:

1. How many genuine prospects are likely from a given number of sales leads?
2. How many new accounts can you open from a given number of prospects?
3. What average sales volume can you expect from newly opened accounts?

The conversion from lead to prospect is probably the most difficult because different sources will produce different leads of very different quality. This might require different calculations depending on the lead sources you select.

At this stage you will have an estimate for the number of new leads of various types required to enable you to meet your sales-from-new-customers requirement. This will be an estimate rather than an exact number but it can be a very useful guide. Not enough salespeople quantify their prospecting in this way.

For example, you want to generate $10,000 of new business next month, (if you don't count the very largest or the very smallest, customers in your territory) the average is around $3,000 per month in purchases, so you need to open three or four new accounts next month.

You know from your call analysis that the conversion rate from qualified prospects to new accounts opened is approximately 1:3, that is, one new account is opened to each three new business presentations made. Therefore, you will need to make 9 to 12 new business presentations next month.
You have some good lead sources to work with, especially a listing of all the relevant construction companies to contact in your area. Using this list and a qualification process based on suitability of this lead, you may have located one genuine prospect for each of the companies contacted. Therefore, you need to make initial telephone contact with 36 to 48 companies.

**Schedule Lead-Generating Activities**

Servicing existing customers’ needs will always tend to have your priority as you perform your sales role day-to-day. It is very easy to let prospecting slip and become too hard to do. The best way to avoid this is to have regular, scheduled times for identifying and contacting leads and to make allowances for new business presentations.

Consider the following example; you know that it takes approximately 4 minutes per call to qualify each lead and arrange an appointment (or withdraw gracefully). Each new business presentation lasts about 20 minutes and you normally find that with travelling and waiting time included, each call takes about one hour.

Also include further research time (gathering information from newspapers, trade publications etc.) to provide some topical information at this initial meeting, means you need to allow an additional two hours for research. Therefore your diary for this month should have specific timeslots for 2 to 4 hours of telephone calls, and allowances for 9 to 12 hours of sales calls on prospects.

You also need to diarize two hours of research and preparation for developing your prospecting approach. Many good prospectors use their slow times for prospecting. Friday afternoons, for example, can be a poor time calling on customers in many industries.

Use this time wisely to compile a list of possible leads from the various sources available, library resources, directories, yellow pages, the internet, customer referrals, or trade show contacts to chase up next week.
Prospecting Plan Calculations

Based on our above examples, below is a typical set of prospecting plan calculations to highlight the amount of time that should be considered each month for allocation to prospecting plans.

<table>
<thead>
<tr>
<th>Calculation</th>
<th>Prospecting Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Targeted sales from new customers</td>
</tr>
<tr>
<td>2</td>
<td>Average monthly sales per customers</td>
</tr>
<tr>
<td>3</td>
<td>Number of new customers needed</td>
</tr>
<tr>
<td>4</td>
<td>Average conversion rate (customers: new business presentations)</td>
</tr>
<tr>
<td>5</td>
<td>Number of new business presentations needed to open 3 – 4 new accounts</td>
</tr>
<tr>
<td>6</td>
<td>Average conversion rate (leads: prospects)</td>
</tr>
<tr>
<td>7</td>
<td>Number of initial leads to contact</td>
</tr>
<tr>
<td>8</td>
<td>Therefore total time to be allocated to prospecting is:</td>
</tr>
</tbody>
</table>

* Research - (background discussion points) | 2 hours |
* Qualifying process (36 – 48) x 4 minutes each | 2 – 4 hours |
* New presentations (9 – 12) x 1 hour each | 9 – 12 hours |

**Total Prospecting Time Allocation This Month** | 11 – 18 hours |


8. Targeting the Right Ones!

Being qualified means that prospects should usually have five critical characteristics.

1. They have a need for what you are selling and they are aware of it (sometimes this need requires some developing, using a carefully crafted line of questioning).

2. They have both the authority and the ability to ‘write the cheque’.

3. They have a relative sense of urgency about their decision, (which you may have helped create with your elevator statement, see page 26).

4. They have a level of trust in you and your business (this may come from being referred by a valued friend or colleague of this prospect).

5. They are willing to listen to you (you got their attention from the initial phone call and your elevator statement worked! See page 26).
9. Prospecting Flow

Research
Research the prospects, find out as much information as you can, research them on the Internet, newspapers, advertisements, even pose as the mystery shopper to find out more about their business,

Then you ...

Qualify
Qualify the prospects by now ranking them in order of possibilities for business opportunities, and for relative matches in terms of your skills and knowledge and experience. Now put these into some sense of order in terms of fit, importance and conversion possibility (target the low hanging fruit!),

Then you ...

Sell
Once you have a commitment to meet with the prospect, the selling process begins, you now have to understand the sequence of strategic questions that you need to ask in order to progress the prospect through the sales process.

To understand more about the selling process register for our next eBook in this series:

10. Prospecting Time Allocation

This all depends at what stage you are with your business, how long have you been operating, and how much business do you have on the go right now. However you should never stop prospecting, even though you may be inundated with work right now, this will soon change and you will be scratching around for work once this has been completed.

Let’s say for example your business is less than six months old and I can draw some conclusions here from when I first started my business in 2003. I spent on average 40% of my time per week prospecting, 30% of my time with suspects, and 30% of my time with clients. Again this mix will vary depending on the stage of your business, and on the type of business you are operating.

This amounted to usually every Tuesday and Thursday religiously prospecting, going through all the areas that we have covered so far, researching, qualifying, calling and doing all the things required to get the all-important meeting. Dealing with my suspects, which involved preparing quotations, providing solutions, calling them, meeting with them, and doing everything possible to convert them into clients. The remaining 30% was spent with the clients, or communicating with those clients that I have not contacted for some time.

The purpose of this was to make sure that there was every opportunity for future work with these clients, and that I never lost sight of the fact that I worked really hard to get these clients in the first place, and I wanted to maximize every possible opportunity for repeat business and ultimately referral business from these clients.
11. Sources of Leads

A lead is any source of information that could be converted into a sale. Leads can be generated from both inside your business and external to your business; both these areas are covered in the following:

**Typical sources of leads could be:**

- Existing customers
- Trade directories
- Internal inquiries
- Print media
- Library resources
- Networking
- Internet

*Remember, getting business is sometimes tough, so you should seize every available opportunity to prospect and qualify!*

**Existing-Customers**

Mainly underused because many businesses are afraid to ask the million-dollar question – “do you know of anyone else who would be interested in my products and services?” Never feel embarrassed to ask this, the most valuable question you can ever ask is for the opportunity for a referral. Ask the customer if you can use them as a reference, using the customer as a reference usually reduces the perceived risk for these future prospects. Also an element of trust is instilled early with the prospect that you have been referred to because of their association with your existing customer.

**Trade-Directories**

Information on potential prospects could be in the form of industry newsletters and business CD directories. Also set up a system of subscribing (for free of course) to relevant industry newsletters, local government newsletters, be aware of as many opportunities as possible for future business.
Subscribe to newsletters in e-mail format (preferably HTML because it's easier to read) these will then conveniently drop into your in-box at the frequency you have requested. Spend a few minutes per day checking these; I do this first thing and last thing every day religiously, just to make sure that I'm not missing out on any opportunities!

**Internal-Inquiries**

Make sure you have a system in place that promotes leads, make sure customer feedback is directed to the right people. Have regular staff network meetings, I used to call these meetings BBS - business building sessions, whereby every Monday morning key staff (who have direct customer contact) attended these meetings and contribute by recalling the events of the previous week, customer contact items of interest, and general discussion focusing on every sales possibility within the business from their experiences over the past week. Also involving your team in all aspects of the business cannot help but foster team building and the creation of a good harmonious working environment, not to mention the opportunity to grow the business from these meetings!

**Print-Media**

Taking time to read your industry magazines or even better trade journals may offer leads to follow up that you hadn't thought of previously. Trade journals are a great source of information as your target market would be reading, advertising or even writing editorials in these types of publications. Local government newsletters are also a good source of leads providing such information as opportunities to do business with them and even better, from time to time, the opportunity to tender or bid on upcoming contract work or other similar opportunities. These would also be a higher value proposition for your business!
Another successful lead strategy that I followed in the early stages of my business was every week to go through all jobs advertisements in the local paper. You will need to pick the best day when most of the ads appear, in my case it was the Saturday edition. Sure there are many, many advertisers in the paper and I would only look at those advertisers who were not using a recruitment consultant (i.e. direct company advertisers). I would further cull this by looking only at the advertisements for positions (jobs) that were in my specific areas of expertise, in other words my target market.

My strategy would be to cut each of these ads out of the newspaper and paste them into a scrap book, noting at the top of the page the date that the advertisement appeared. In carefully looking at each of these ads, you would normally see the company name, the name of the person to respond to in the ad, sometimes the e-mail address and usually a telephone number.

I would then wait for maybe two months and then call the number from the advertisement and ask for the person in that position (that was advertised), - the one who eventually got the job, and then start the prospecting process. This would begin with my well-practiced elevator statement (this was explained earlier).

Whilst this process may be considered a bit of a long shot, it is nevertheless, another opportunity to generate leads and gain some business in areas where your competition may not have even considered.

You will be surprised at the results, maybe you might even get a job offer because of your inspired research or like what happened to me, be offered a lucrative short term consulting opportunity when I was in front of a prospect (I found through using this process), I was asked to train all her sales staff in these prospecting techniques. This was because she was so impressed in my prospecting approach that she wanted me to train her staff in my prospecting research methods!

Now just how good is that!
Library-Resources

In most local libraries there is usually a wealth of material that can be accessed to generate possible leads for your business. In my local library for example there is a business database which can be accessed from the library and remotely over the Internet using my library membership card number. Also just reading the local library notice board from time to time can also be an opportunity for business.

Also in my hometown Melbourne Australia we have a State Library which is a wealth of information for businesses and the means of lead generation which I have utilized successfully since 2002. You may need to research to see if there is an equivalent to a State Library in your local area. My State Library, for example, provides a reference business database which enables me to interrogate and search the database based on any criteria I choose on the Internet from home (using the login details provided).

I can interrogate the database by, for example;

- Size of business, by turnover and/or employee #.
- Location of business, by state, city/suburb, or postcode.
- Whether or not the business has a website.
- Whether or not the business is quality assured (e.g. ISO: 9001).
- Whether they export or not.
- Major product lines or services offered.
- Contact numbers and position titles of key senior staff.

This now enables me to perform searches on the types of businesses (by industry segment) that I have had previous success with, or those businesses that present opportunities for me to prospect to and start the qualifying process.

So for me each interrogation or search boils down to finding three main areas, these are ...
Once I input these three search criteria (and further refine each of these areas as required) I can then see exactly what companies I should prospect to, in the next round of allocated prospect time.

Whether you have this type of resource available to you or not, you should continually look for a way to research which will enhance your prospecting activities, focusing around the key areas of; **industry segment**, **size of business**, and **location of business**. These key areas should ideally match with your previous experience, your previous employment, your skills, your abilities, your capacity to produce, your competition, and your location.
Now you can focus on the qualifying process to set some order, sequence or priority to your approach to these researched businesses.

For a diagram on the process for identifying Researched Qualified Prospects (RQP’S) please see the next page ...
The Process of Identifying Researched Qualified Prospects

Once we have identified the three main areas of:

1. Industry Type (Known), 2. Location (Known) and 3. Size of Business (Known)

We can then ‘plug’ these criteria into our research model (business database, business directory etc.). Using this process, we then should be able to come up with our ‘target’ prospects or RQP’s (Researched Qualified Prospects!) that match our criteria (above).

We are looking here for:

1. **Industry Type:**

   An industry where we have the required skills, knowledge and experience.

2. **Location:**

   Where we suspect our industries (above) to be located.

3. **Size of Business**

   By turnover or number of staff, whatever you choose to target that fits your capability and resources.
Networking

Networking can be the most cost-effective way to grow your business, word-of-mouth marketing, referral marketing, are all forms of networking. Seek out opportunities to meet people in your target market at:

- Business breakfasts
- Seminars and events at your local management institute
- Local government small-business seminars
- Local business and community events
- Exhibitions and trade shows

Even take the opportunity to do a presentation on a particular subject around the industry and technology you may work with. I have done this on many occasions particularly with my local government where I have presented on the subject, and then at the end in the final slides, I provide a background and a soft sell for my particular services that I offer to businesses.

Seek out the person responsible for business (or small-business) in that particular local government office and offer to do a free seminar based around a topical business subject. In most cases local governments are always happy to find ways to assist businesses in their area and provide experts to present on particular subjects on a regular basis, usually monthly.

Of course at the end of the sessions you will have the opportunity to give out numerous business cards, brochures, and other documentation to solicit business opportunities at the end of your presentation.

*And this is the main reason why you’re doing these sessions!*
Internet

Sources of leads via the Internet come in many forms, this may come from (as previously mentioned) from e-mail newsletters that you have subscribed to, listing opportunities with local governments for contract or tender work. Be selective and subscribe to relevant newsletters from your industry where you are kept informed and up-to-date on relevant issues, technology, trends, and other key information to keep you across all there is to know about your changing market. I subscribe to maybe 10 or 15 newsletters per week, this keeps me informed and up-to-date, so when I am in front of my prospects, I speak from a background of knowledge, relevance, and understanding of my industry and the changes occurring within it which they also should be made aware of.

This then enables me to be seen as an expert in my field, which is what you must be perceived as by your prospect. The days of winning business on the strength of your product or service alone, are long gone.

Prospects are looking for long-term fruitful relationships, which are win-win situations whereby YOU bring much more to the table in terms of industry knowledge, trends, emerging markets and strategies that can help them sell or use more of what it is you are offering. In other words, WIIFM – what’s in it for me!

Do this so much better than your competitors and you can’t help but impress your prospect, then you are well on the way to advancing to the next level which is selling your product or service!

If you really want to increase the number of conversions (prospects into customers) make sure you register for our next e-Book in this series:

How to Sell – a practical guide to selling for small business! Register here
12. Prospecting Targets

Which collection of people or businesses are your target prospects? You can spend endless hours of your time *throwing darts at a board*; you need to identify as closely as possible who are your prospecting targets:

- By business type, size, and by their types of product or service selection.
- By where these businesses are located, suburb/city/postcode.
- Can they be grouped together by location?

**Also consider ...**

- What is your ideal quotation/order value? Is your prospect able to match this? In other words, is there enough profit in these prospects to make it worth your while, *this is part of the qualification process*.
- Can you quantify your prospects by industry sectors or groups?

Armed with this information your prospecting can now be targeted towards those people or businesses that fit your criteria (for example: an industry that you are familiar with or a particular skill or expertise that you have developed that you can now apply as a service in your business). This may take some time but research is always the starting point to successful prospecting. Take this seriously and you will benefit from the rewards, I do this on a regular basis and this provides me with valuable leads which I then convert into valuable business.

**Over time in your business you may develop a more specific approach, for example:**

- Have I had success with a particular business type before?
- Have I had success with a particular size of business before?  
  ➢ This can be in terms of turnover, or employee numbers.
- Have any particular products or service sales been consistent with this type of business?
- Have my competitors enjoyed success in these areas?
If YES! Then research for more prospects of this type, because this approach is working!

I seem to have much more success with businesses that have between 10-20 staff...

13. Elevator Statement

One of the keys to prospecting success is to develop a great script - an Elevator Statement!

The name "elevator pitch" reflects the idea that it should be possible to deliver an elevator pitch in the time span of an elevator ride, or approximately one to two minutes.

Using your words economically, you should fire in some statistics for greater impact, there is no room for technology jargon here, just give a concise pitch about what it is you do, and how you do it. End by adding a convincer, as to why the prospect should meet with you, which should be based around the benefits of using YOUR business and not the competition!

Remember the elevator statement is just like a CV it is designed to get you a meeting (or an interview in the case of the CV).
On the phone you have about two minutes to gain interest in your products and services and get that all-important meeting!

Practice, practice, and practice before you start to use your elevator statement, practice it on your friends, your partner, in the mirror!

**Tips for a Successful Elevator Statement**

- Memorize this elevator statement!
- Once you are confident with your elevator statement, start to call on the highest ranked prospects first.
- Build on what works well.
- Note also that you will win some and you will lose some, roll with the punches!
- Remember; it's not about how many times you get knocked down, it’s how many times you get up that matters.
- Try not to take rejection personally, it's all part of business life!
- The more you make these calls, the better you will become at doing this.
- You will know when you have made it, when you can get on the phone at any time and talk to anyone about your business, your products and what you do.
- It's a great feeling, and a great confidence booster!
- And it's fun to do!
14. Prospecting Communications

Contact Methods

The initial contact is usually done by telephone; in this process ensure you get the name of the relevant person to see (purchasing officer, office manager, human resources manager etc.). Ensure you have the correct spelling of the name and your pronunciation is correct; there is nothing worse than talking to a prospect whose name you can't even pronounce! How's that for a good start?

Once you have all this in place, and you're ready! Off you go, give your elevator statement pitch and start the prospecting process!

One word of caution here, always get past the gatekeeper! The gatekeeper is sometimes the secretary or personal assistant of the very person you are trying to contact and their job is to make sure that their boss is not bothered by callers that they do not know. Life is a little bit easier now with e-mail, however there may still be prospects that have this filtering process in place, you just have to be creative in the ways to get around this. Remember with e-mail that you do not want to be labeled as a spammer, so always make sure you have permission to e-mail people you are prospecting to, if this is your approach.

After the initial phone contact, further refine the qualifying process by:

1. Assessing how the call went
2. Ranking the opportunity on an A, B, C basis

Obviously during this process you will be getting some rejections, this is part and parcel of the prospecting activity. Learn to deal with this, do not take rejection personally, it may just be a case of bad timing or being in the wrong place at the wrong time.

Remember this is a numbers game, the more people you call the greater your success will be. And once you have established a conversion rate say of 25%, this means for that every 100 calls you
make you will get 25 appointments look to further improve on this as you get better with these processes. So keep those calls happening!

15. Prospecting Time Management

To be successful in the prospecting process your time management skills need to be very good, as this is a classic example of time is money! Why waste your valuable time chasing an opportunity that you know you have very little chance of winning. Move onto the next one, move on to the next round of prospecting, target those prospects where the opportunity ranks in excess of 50%. Have a system that records this information, *more on this later*...

Actively prospect as much as you can, always try and get referrals and in some cases written testimonials which demonstrate your capability, and be sure to maintain the prospecting pipeline.

16. The Prospecting Pipeline

The analogy I use for the prospecting pipeline is having a plastic pipe 150 mm in diameter, 2 metres long in my hand and on the floor is a bucketful of tennis balls. The plastic pipe is the prospecting activity and the tennis balls are the prospects. When I teach prospecting I demonstrate this process as follows:

Prospecting is like putting tennis balls down this pipe, once you start this process of putting tennis balls down the pipe they come out the other end. They come out the other end in the form of suspects, referrals, leads and inspired ideas for new business opportunities from meeting with prospects.
This is a continual process and should not be broken; once you stop putting tennis ball down the pipe guess what? Nothing comes out the other end, not rocket science is it? Also the length of the pipe could be the analogy for the length of time it takes to covert an opportunity (from commencement of the prospecting activity through to banking the payment); this could be 1 month, 2 months, 3 months or even longer!

So this is a sobering thought because if you are not prospecting because you have tons of work in front of you right now, and when you complete this work, then, and only then, do you decide to start prospecting again, it may take say 3 months or so before any money comes in again.

Cash flow is severely stretched and you are now in dire need of some finance options, or frantically putting what little money you have left on the lottery every week! So as a metaphor for remembering to prospect regularly is to remember to keep putting those tennis balls down that pipe!
So what does it all mean? It means despite your business activity, your level of work you have right now, how busy you are right now, however engrossed you are in fulfilling a client’s order for service you are providing, and regardless of how much business is walking in the door, you still need to prospect.

I have seen many businesses fall into trouble simply because the work simply dried up. This is because they were only concentrating on what work they had on the go at that time, what was immediately in front of them. As I said before - how much time should you devote to prospecting? The amount of time will depend on 3 things:

1. What stage your business is at (how long you have been operating).
2. How much business you have in front of you right now.
3. How organized, disciplined and hungry enough you are to prospect.

No matter how busy you are, or satisfied you are with the amount of work that is coming in, never, ever, take your eye off the ball. This means you should prospect religiously and as often as possible per week, this may only turn out to be 10 to 20% of your time however you are continually sowing the seeds for future work.

I am for example, extremely busy with work most of the time, yet for several months of the year I am teaching in China and yet I still continue to prospect while I am there. I do this by e-mail and other means via the Internet to my contacts, I am sowing the seeds for future work!
17. Networking

What Is Networking?

As described in the Collins Dictionary, a network is an interconnected group or system. Therefore networking is the process of using a network or interconnected group to your advantage.

There are many tiers of networking sources that you can access, these are:

- **Tier 1** - The Warm And Fuzzies
- **Tier 2** - Business Associates
- **Tier 3** - Suspects
- **Tier 4** – Prospects

**Tier 1 - The Warm and Fuzzies**

- **Previous Work Colleagues:**
  A nice warm call, those people up and down the corporate ladder (former bosses, peers, staff that worked under you), people that know you well, know your skills and what you are good at.

- **Family and Friends:**
  Another nice warm call! Again people that know you well, people that know other people who know other people. You really can't go wrong with this group, this should be your practice ground, and it does not matter here if you mess up! They won't mind, they want you to succeed!
**Tier 2 – Business Associates**

- **Previous and Existing Customers:**
  Another warm networking opportunity, these contacts know you well and they should also know your skills from their previous associations with you. You may have developed some excellent relationships with customers, leverage this. Also consider networking to business associates from your years in previous full-time employment, resurrect these contacts also.

- **Previous and Existing Suppliers/Vendors:**
  Yet another warm networking opportunity as for previous and existing customers, these contacts know you well and have dealt with you previously and you have some standing with these businesses. Again consider those businesses that you worked with in your previous full-time employment.

- **Previous Competitors (now in an unrelated industry):**
  Another warm networking opportunity, this particular group would be from your previous full-time employment, so you should know them and they should know you. Target the ones you consider to be presenting the best opportunities for you.

**Tier 3 – Suspects**

- **Suspects:**
  Getting a little colder now, however you would have had previous contact with this group before so you should be familiar with them and them also with you. Opportunities are here to follow up on previous meetings, quotations or proposals awaiting decisions, maybe the opportunity to revise some quotations that the suspects are deliberating over (to make them more attractive) and force some decisions.
Consider all the angles for converting these opportunities, because in most cases you already have something on the table with this group. Shake down the opportunities that exist out there that you have already created with these people.

**Tier 4 – Prospects**

- **Prospects:**
  The very starting point in the process, find them, research them, qualify them, find your profile target groups and look for your target prospects (we have gone through this in detail earlier in this e-Book). Keep those tennis balls flowing down the pipe; commence the next round of prospecting and qualifying. Find more of those researched qualified prospects! (RQP’s).

*Remember ... There are many levels of prospecting for you to follow up on, take the time to cover this area carefully!*
18. Staying Ahead

Get Organized!

Use technology to your advantage, use customer relationship management (CRM) software to organize and categorize your contacts. Categorize your contacts into three groups:

1. Prospects
2. Suspects
3. Clients

Keep this list up to date so you can correspond with your contacts knowing exactly where they fit in the prospecting process at any time. Make absolutely sure that your CRM customer listing is always up-to-date and current, nothing worse than sending e-mails or trying to communicate with contacts that are no longer there. As a golden rule your customer list should be checked for currency at least quarterly.

Know always where you are in the sales process, this is where a good CRM package is invaluable. Interrogate your system for information on your contacts (prospects, suspects and clients).

Convert your handwritten notes into specific client information and enter these into your CRM package, do this religiously at the end of each day. This will ensure that your contact information is relevant and up-to-date, so next time a contact is called you have the most up-to-date information to hand for your discussion.

Read your incoming subscriptions (newsletters etc.) act on these, and then file them away in an easily remembered folder within your system.
A word on customer relationship management packages (CRM). I personally use a system called ACT™ (by Sage) and have done since I commenced business 7 years ago. It is neat, simple to use, fully customizable, and you are able to interrogate your data in whatever way you would want to. A great product off-the-shelf and is not very expensive and available from most good resellers. If your business has several branches or offices then you can use ACT™ and synchronize all your data back to one central data base on a hierarchical basis.

Visit www.act.com for further information on this product.

19. Contact Management

I must stress here this is only where appropriate and may not be applicable to some of your contacts.

Learn as much about your contact as you can for example, family details (including names), special interests, hobbies, birthdays, and years of service in the company. Sending a birthday card to a client for example, is a great way for them to remember you, none the least for your attention to detail and courtesy. Also a thank you on their anniversary of first becoming a client with you is a very nice way of appreciating their business.

Send them articles of interest you may have cut out from newspapers or magazines that pertain to their industry, these can be easily scanned and e-mailed as a file attachment (make sure this is in JPEG format for example) ensuring that the attachment is not too large as to jam up their inbox.

Regularly update them on your products and services and always follow-up to ensure that the products you sold them meet with their expectations.
Inform them of new developments in your business, promotions, new staff, exhibitions you will be profiling your business at, always having a valid reason to contact them.

Invite them to opt in to your newsletter. Make sure your newsletter is frequent enough so they will not forget you but not so frequent to become a nuisance to them.

Key Point!

YOU are the best judge of what is appropriate for each client in terms of contact management.

Over time you will get to know your clients well, and you will be able to understand and appreciate just what is appropriate and what is not appropriate. Being considerate is always good is the client’s eyes, so remember this!
20. Selling Secrets

Trust vs. Like?

No contest here! It is the single most important factor, being trusted leads to selling value, whilst being liked merely leads to selling on price. Value is a far better selling tool than price and also a lot more profitable too!

Of course this is developed over time and you should strive to make sure that trust always exists between you and your prospects, suspects and clients. No exception!

Look for ways you can be a resource for your customers. Supply them occasionally with valuable market information (e.g. emerging trends, new product developments etc.). Help them do things faster, less expensively and be more competitive themselves. Remember that you will get another opportunity to sell something every time they come back to you for information or advice.

A good way to earn credibility is by establishing yourself as an expert with intimate knowledge of your products, services and your industry.

Demonstrating that your market knowledge is far superior to that of your competitors, will position you way ahead of them, because you are recognized for knowing a lot more. This can make the prospect more comfortable, and confident, in dealing with you!

Offering some market information (or intelligence) to demonstrate this in the initial meeting with the prospect will position your business nicely straight off, and they will then see you as having more to offer and being different from the competition.
21. Selling Against the Tide

Guard your present customers with your life, always plan for the worst, what would happen if you lost your top five clients?

- Where would their replacements come from?
- What is a typical lead time to secure an order?
- What have you got in the current pipeline?
- And how long before this transpires?

These are all questions you should consider because it's tough out there, and there is always the competition sniffing around the corner.

We are most vulnerable after completing our first round of business with a new customer, we tend to move on quickly to the next opportunity often neglecting our most valuable commodity - existing customers.

There will always be a competitor waiting for this customer to fall off the end of the table only to be caught in their net not yours!

22. The Sales Pipeline

Maintain the Sales Pipeline

Keep the pipeline sector's up-to-date, always list where a prospect came from in the first place, if the prospect originally was an RQP, then make sure you use this prospecting process again because it worked!

The sales pipeline provides a snapshot of how your sales stages are progressing and hopefully they are all moving down. Also the pipeline provides early warning signs of dormant stages, that is, where a particular sales stage is not moving, and it may be because our price may be too expensive or outside the budget of the suspect, or worse because we have been beaten by the competition. So monitor the sales pipeline on a regular basis and make sure you talk regularly to those suspects who have your quotations on the table for consideration.
Sales Pipeline Example 1:

<table>
<thead>
<tr>
<th></th>
<th>Identified Target (Prospect)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>45</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Initial Communication</td>
<td>23</td>
</tr>
<tr>
<td>3</td>
<td>First Meeting</td>
<td>25</td>
</tr>
<tr>
<td>4</td>
<td>Solution Development</td>
<td>15</td>
</tr>
<tr>
<td>5</td>
<td>Submitted Proposal</td>
<td>45</td>
</tr>
<tr>
<td>6</td>
<td>Customer Evaluation</td>
<td>20</td>
</tr>
<tr>
<td>7</td>
<td>Won the Business</td>
<td>10</td>
</tr>
</tbody>
</table>

This is an example from an earlier version of ACT™ where we can see from a total contact list of 183 (at the time) in my database, they were all categorised as:

1. **Identified Target** – 45 (researched qualified prospects, RQP’s) – **prospects**.
2. **Initial Communication** – 23 (communication by telephone) – **prospects**.
3. **First Meeting** – 25 (met with prospect) – **prospects**...
4. **Solution Development** - 15 (me coming up with the goods) - **suspects**.
5. **Submitted Proposal** – 45 (I have delivered the proposal) - **suspects**.
6. **Customer Evaluation** – 20 (awaiting final decision -on the table) – **suspects**.
7. **Won the business** – 10 (has received verbal/written advice) - **clients**!

Each of these stages (1 -7) are listed with the corresponding amount of contacts (prospects, suspects and clients) numbers beside each of them. This crystallises my thinking in terms of where I am at in the process of shaking the pipeline down towards winning more business. This process should be reviewed regularly to ensure that the opportunity for conversion exists. Changing the stages can be done very easily and customised for your particular needs.
Sales Pipeline Example 2:

Sales Pipeline 17/05/2004

- 21 Identified Target (Prospect)
- 8 Initial Communication
- 12 First Meeting
- 7 Solution Development
- 10 Solution Presentation
- 23 Submitted Proposal
- 11 Customer Evaluation
- 11 Won the business

This is an alternative graphical view of the sales pipeline taken from another period in ACT™. You can customize several views in this CRM program.
23. Building the Sales Bridge

Figure out what the daily dose is and do that each day. Breakdown your sales budget for the year into months (total divided by 12), breakdown your sales budget into weeks (total divided by 52) and even by day (total divided by 365). Knowing what your sales targets are per day gives you an added incentive to make those calls and to prospect ferociously. I have not allowed for public holidays or annual leave/vacations in the above calculations, but you can factor this in to suit your locality.

Know also what your strike rate/conversion rate is and always strive to improve this. Remember it is a numbers game, so if your strike rate for converting business from meetings is 10% per 10 meetings with prospects, then increase the meetings to 20 and you will get double the amount of business.

Where possible raise your average quotation or order value, never undersell your products or services. Remind the prospect of all the added/augmented value that they are receiving when purchasing your products or services. They are also paying for your skills, knowledge, industry experience, qualifications and your ability to provide them with a solution to their problem!

Shakedown the sales pipeline, always strive to move the process towards the goal of converting your opportunities, after all you have done the hard yards to find them in the first place!
24. Referral Marketing

Referral marketing is by far the fastest (and most cost effective) way, by far, to grow your business. Sufficient incoming business from referrals drastically decreases the dependence on advertising, thereby reducing your expenses and increasing your profitability, thinks about that one for a moment!

Obviously to begin with, we need to have satisfied customers or what we call raving fans! These are satisfied customers that are prepared to refer us to other businesses having exceeded their expectations with the work that we had completed for them.

This first and foremost has to be your goal, promise a lot and deliver even more, go way beyond providing a good service, provide a great service exceeding your customer’s expectations, not just once but each and every time, make this someone’s job to monitor this!

And if that’s you, then so be it!

Do this and you will create raving fans! Think of this as a key performance indicator for your business (KPI), how much business comes in from referrals? Measure this and make sure for every new customer the question is asked “how did you find us?”

Remember to thank the person that referred you, look after these people they are priceless, send them thank you cards, treat them to lunch or dinner occasionally and always send them a hamper or a bottle of something at Christmas time!

Creating raving fans is like having another sales force out there working for you, unpaid! It also creates a niche market for your products and services, why? Because when you are referred you are up against no competition it's all you, so go and do your stuff and create legions of raving fans!
25. Viral Marketing

Viral marketing and viral advertising refer to marketing techniques that use pre-existing social networks to produce increases in brand awareness or to achieve other marketing objectives (such as product sales) through self-replicating viral processes.

It can be word-of-mouth delivered or enhanced by the network effects of the Internet. Viral marketing is a marketing phenomenon that facilitates and encourages people to pass along a marketing message voluntarily. Viral promotions may take the form of video clips, interactive flash games, advergames, brandable software, images, or even text messages. The basic form of viral marketing is not infinitely sustainable.

It is claimed that a customer tells an average of three people about a product or service he/she likes, and eleven people about a product or service which he/she did not like. Viral marketing is based on this natural human behavior. The goal of marketers interested in creating successful viral marketing programs is to identify individuals with high Social Networking Potential (SNP) and create Viral Messages that appeal to this segment of the population and have a high probability of being passed along.

The term "viral marketing" is also sometimes used to refer to stealth marketing campaigns, the use of varied kinds of astroturfing both online and offline to create the impression of spontaneous word of mouth enthusiasm. Viral marketing refers to the techniques that seek to exploit pre-existing social networks to produce exponential increases in brand awareness. Its primary use is to harness the network effect of the Internet to reach a large number of people very quickly. Viral advertising only succeeds if the original email campaign element is compelling and worth sending on.
A low cost form of viral marketing gaining wide acceptance is blogs (weblogs). These are diarized entries on a website which often invite conversation from third parties. Blogs can include text, photographs (photoblogs), videos (vlogs), or audio (podcasts).

Blogging is a form of viral marketing that combines the power of word of mouth (WOM) with the efficiency of the Internet. Small business can use blogs to demonstrate their expertise.

For example, a landscaper might consider a weekly blog about lawn care and gardening tips including case studies and photos or video content. If people find the blog interesting they may share it with friends who have similar interests. Blogs demonstrate one of the changes occurring in Internet usage. Many people are becoming on-line 'prosumers', that is they produce and consume on the Internet.

Facebook, Twitter, and YouTube for example, are good examples of viral marketing.
Congratulations!

You now know how to effectively prospect for new business opportunities, this should set your business apart from the competition. Always allocate time for prospecting and remember to keep those tennis balls flowing down the prospecting pipeline despite how much work you may have right now. When this work is completed you will have nothing in the pipeline, unless you prospect regularly and make it a routine part of your weekly activities!

And be on the lookout for those RQP’s!

But remember to take time out to smell the roses!
26. In Conclusion

- Have a carefully planned prospecting strategy!
- Leave nothing to chance!
- Put your prospecting into action!
- Keep putting those tennis balls down that pipe!
- Follow your plan!
- Roll with the punches, remember you will win some and you will lose some!
- Enjoy your successes!

I use all of the processes I have discussed in this e-Book, that way I can talk from experience and not theory, this e-Book is not to be viewed as a ‘text book’ but should be viewed as practical guide to business growth using sound sales prospecting methods!
The processes in this e-Book have grown my business to what it is today, a success! I sincerely hope you will do the same and use the ideas you have just read about to your advantage, and find more customers with successful sales prospecting methods!

Thank you for purchasing my e-Book and good prospecting!

John Duffield
Owner and Managing Director
UMACS Business Solutions
http://www.umacs-business-solutions.com
27. Complete Small Business Guide to Success!

This e-Book you have just read – “How to Find More Customers” – *A Practical Guide to Sales Prospecting for Small Business*, was all about the processes to find those prospects, how to dig those nuggets up!

Some great, tools, methods and processes were shared with you and all through practical experience, and remember this is how I started and grew my business using these methods, so believe me they work; otherwise I would not be here today telling you about my methods for success!

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